

1963

Nikita Khrushchev seems to have dropped a hint to American visitors that he would be interested in a long-term loan from the United States for about \$10 billion.

The Otepka Case: A State Department Disgrace

EXTENSION OF REMARKS OF

HON. STEVEN B. DEROUNIAN
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES
Tuesday, November 19, 1963

Mr. DEROUNIAN. Mr. Speaker, now the two State Department aids who admitted they testified falsely before a Senate committee have resigned—an example of disgraceful coverup in the State Department for which the Secretary of State, Mr. Rusk, cannot be completely absolved from blame.

In today's New York Times the full story is told:

**TWO U.S. AIDS RESIGN OVER OTEPKA CASE—
STATE DEPARTMENT ACTIONS IRK CONSERVATIVE SENATORS**

(By Henry Raymont)

WASHINGTON, November 18.—The State Department announced the resignation today of two security officials who admitted giving misleading testimony to the Senate Internal Security Subcommittee.

The officials are John F. Reilly, Deputy Assistant Secretary of State for Security, and Elmer D. Hill, Chief of the Division of Technical Services in Mr. Reilly's office.

They played a key role in the dismissal of Otto F. Otepka as the Department's chief security evaluations officer. Mr. Otepka was dismissed for improperly transmitting information to the Senate subcommittee.

His dismissal, now under appeal, has aroused conservative members of the subcommittee and rightwing groups throughout the country.

AN EARLIER CONFLICT

The controversy carries overtones of the battle 10 years ago between the State Department and the late Senator Joseph R. McCarthy.

It also raises the problem anew of how far Congress can go in interfering with the internal operations of executive agencies.

There were indications that Mr. Reilly and Mr. Hill had been asked to resign on the ground that they had embarrassed the Department.

The officials first denied, then admitted trying to intercept Mr. Otepka's telephone conversations.

The sentiment at the State Department was that, even though the security officials had acted to protect the interests of the agency, their conflicting testimony to the subcommittee could not be condoned.

It was also reported that none of their superiors had been acquainted with the wire-tapping efforts or with the discrepancy in their statements until after they had been disclosed in the Senate.

Senator THOMAS J. DODD, Democrat, of Connecticut, who is vice chairman of the subcommittee, first referred to the matter in a speech defending Mr. Otepka on November 5. Mr. Reilly and Mr. Hill were placed on indefinite leave the following day.

A third official mentioned by Senator

Dodd, David I. Bellisle, was not sent on leave because he was absent when the listening device was installed. He has acknowledged that he was informed of the installation later, however. Mr. Bellisle was Mr. Reilly's assistant.

In announcing the resignation of the two officials, Richard I. Phillips, the Department's press officer, said an inquiry was continuing "as to the facts and circumstances surrounding the testimony of Bellisle."

He said that for the time being Mr. Bellisle was taking over Mr. Reilly's duties as Deputy Assistant Secretary for Security.

Secretary of State Dean Rusk personally advised Senator Dodd of the resignation of the two officials this morning. The move appeared to have been prompted by a desire to avoid unnecessary friction with the Senate group.

Senator Dodd indicated that he was satisfied with the explanation that none of Mr. Reilly's superiors knew of the attempts to tap Mr. Otepka's telephone.

The Connecticut Democrat said in an interview he was pleased with Mr. Rusk's "very diligent" handling of the matter. He said that the subcommittee and the Department should "work together" in further clarifying the circumstances of Mr. Otepka's removal.

He did not wish to comment on Mr. Bellisle's case because it was also being studied in executive session as part of an investigation he said was "far from over."

Mr. Hill, who testified before the subcommittee this morning, also declined to comment.

There were suggestions that some members of the subcommittee had suggested perjury action be taken against the Department officials in a move that might be used to help Mr. Otepka.

State Department officials are eager to keep the controversy over the testimony of the two officials from affecting Mr. Otepka's dismissal.

The Department has accused Mr. Otepka of giving confidential documents to the Senate subcommittee without proper authorization and of engaging in actions that left his loyalty to the agency in doubt.

Members and staff employees of the subcommittee have defended Mr. Otepka's conduct, insisting that executive employees had a right to divulge privileged information to the panel and that they were thus serving a loyalty higher than that owed to their superiors.

Mr. Otepka has filed an appeal against his dismissal. He is understood to have been given from 1 to 2 weeks to prepare his defense before a special committee within the Department.

There were indications today that the Senate group would make every possible effort to bring pressure in favor of Mr. Otepka.

Senator JAMES O. EASTLAND, Democrat, of Mississippi, who is chairman of the Judiciary Committee, prepared a form letter today to individuals and groups that have written him inquiring about the case.

"I share your concern about the Otepka case," the letter said. "Let me assure you that this matter has not ended nor have our investigations of State Department security."

The State Department said the resignations of Mr. Reilly and Mr. Hill would be effective "at an early date." Mr. Phillips said that "it is customary to allow certain lengths of time to wind up affairs."

Mr. Reilly has served the Government for 16 years and was widely respected in the Department as a dedicated official who took great care to protect individual rights in the management of security programs.

Mr. Hill was an engineer before he entered governmental service in February 1962.

Congressman Harold R. Collier Reports to the People of the 10th District of Illinois

EXTENSION OF REMARKS OF

HON. HAROLD R. COLLIER
OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES
Tuesday, November 19, 1963

Mr. COLLIER. Mr. Speaker, under leave to extend my remarks in the Record, I submit herewith a report to the residents of the 10th Congressional District of Illinois summarizing the major legislation and my activities as their Representative during the 1st session of the 88th Congress.

In reporting annually to my constituents in past years, I had always done so following sine die adjournment. The 1963 session, however, is not likely to come to a close until shortly before Christmas—and there is even the possibility that the record-breaking duration of the current session may run through the end of December.

Looking back to my first term as a Member of Congress, it is difficult to understand why a legislative body which was able to complete its work and adjourn in August must now drag through a 12-month session. What is more significant is the fact that less has been accomplished in the way of legislative action this year than was achieved when the sessions were shorter. The fact of the matter is that indecision and indecision have plagued both the House of Representatives and the Senate, especially, on the prime political issues of this administration.

Less than 3 years ago the liberals in the Kennedy administration charged that Congress was moving too slowly because the House Rules Committee impeded the process of legislation. This committee was admittedly inclined to be conservative in recent years. It is the committee, as you know, which determines which legislation shall be reported to the floor of the House and prescribes the conditions of debate on various bills.

"Enlarge the Rules Committee," said the liberals, "and we shall get legislation moving." And, thus, Congress packed the Rules Committee by adding three members. Again during this session of Congress, the expansion of the Rules Committee was continued through majority action. It is indeed ironical that the expansion of the Rules Committee not only failed to do what the liberals claimed—but the record reflects contradictory results. Previously, the Rules Committee was used as a buffer for other committees which felt it politically expedient on other occasions to move bills which were known to be generally unpopular or which would become political "hot potatoes" if they ever got to the floor. Thus they were frequently tabled presumably en route to the floor of the House.

We have a prime example of this in the controversial Federal aid to educa-

tion bill because the several proposals to provide Federal funds for primary and secondary schools have become completely entangled in politics and religion. Many of the proponents of this type of legislation are content to see it resting quietly for if such a bill was ever reported many Representatives would find themselves in the difficult position of having to deal with the aid to private and parochial school programs. This is a situation packed with political dynamite in many areas.

With approximately a month remaining before the 1964 session gets underway, there are still important items of unfinished business.

The foreign aid appropriation bill is in serious trouble. The House slashed \$582 million from the authorization bill—and the Senate is apparently in no mood this year to restore it as it did in the past. The ardent proponents of the multibillion-dollar foreign aid program of yesteryear are now coming around to supporting the position of the conservatives that have been trying to cut back during the past decade. The sad fact of the matter is that more governments have been overthrown or seized by coups around the world in the past 15 years than in the previous 75 years. Our position in the world today is admittedly no better and in many cases worse than it was when we embarked upon our foreign aid program. Certainly in some areas U.S. aid was necessary but, for the most part, the program has lost its appeal and has directly affected our critical imbalance of payments. Furthermore, our Western European allies have failed to meet their commitments and obligations in the cold war which continues with new eruptions and fluctuating tensions in the Far East and Latin America.

On the home front there is obviously deep public concern over Government fiscal policies. Three times during the past year Congress was obliged to raise the national debt because the Nation continues along a course of deficit spending. I have opposed Federal spending increases at every level as well as voting against increasing the public debt because of the frightening implications of pursuing policies which I consider fiscally irresponsible.

Aside from the fiscally sick condition of the Treasury, Government expansion into one area after another in our national life creates a consistently mushrooming bureaucracy. It appears to me that the American people are becoming more and more skeptical of Government programs as a panacea for every problem which develops in our economic and social system.

The House-passed tax reduction bill written by the Ways and Means Committee, of which I am a member, is stalled in the Senate and may not get to the Senate floor before the turn of the year. While I personally feel a tax reduction across the board is necessary and desirable, I opposed final passage after an amendment to tie a curb on Federal spending to the tax bill failed. It is my understanding that many Members of the Senate feel that a tax reduction on borrowed money will only com-

pound the Nation's fiscal problem in the months ahead.

The Ways and Means Committee began hearings on the various medicare proposals for the Nation's elder citizens 2 weeks ago. There is practically no chance for any such bill being reported this year—and there are grave doubts that such legislation will be passed in 1964 despite it being a presidential election year with the usual political pressures being present.

The fate of civil rights legislation is at present unpredictable and may well depend upon how successful Members of both legislative bodies are in amending titles II and III of the measure during floor action.

Significant in the pattern of this year's legislative activity was the defeat of the area redevelopment program which, after 2 years, failed to do the job which its sponsors predicted.

American farms soundly defeated the wheat referendum—an action which can only be construed as disappointment and disgust with Government controls of the Nation's agricultural economy.

And now for a more personal report on this past year's session. Because of the fact that this has been the longest session in peacetime history, congressional mail has been unusually heavy and has not tapered off during the months of September, October, and November, as it did in previous years. Needless to say, the length of the session has also made it impossible for me to spend the time in my district office that I did in the past.

LEGISLATION WHICH REPRESENTATIVE COLLIER INTRODUCES DURING THE 88TH CONGRESS

H.R. 1904: A bill to amend the Internal Revenue Code of 1954 so as to exclude from gross income gain realized from the sale of his principal residence by a taxpayer who has attained the age of 60 years.

H.R. 3286: A bill to establish a Commission on Aircraft Noise Abatement to study means for abating aircraft noise and to recommend corrective measures.

H.R. 3927: A bill to provide for medical hospital care for the aged through a system of voluntary health insurance, and for other purposes.

House Joint Resolution 268: Constitutional Amendment—Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

House Resolution 265: A House resolution to amend the Rules of the House to further restrict action on bills providing for the withdrawal of money from the Treasury.

House Resolution 279: A House resolution to establish a Special Committee on the Captive Nations.

H.R. 4775: A bill to allow deduction for expenses incurred by taxpayer for education of a dependent.

House Concurrent Resolution 133: A House concurrent resolution requesting the President to initiate action in the United Nations calling for the withdrawal of Soviet troops from Lithuania, Latvia and Estonia and the return of exiles from these nations from slave-labor camps in the Soviet Union.

H.R. 5986: A bill to amend the Tariff Act of 1930 with respect to the rate of duty on brooms made of broom corn.

H.R. 5987: A bill to terminate the retailers' excise tax on cosmetics and other toilet preparations.

H.R. 5988: A bill to reduce excise tax on all-channel television sets to 5 percent.

H.R. 6409: A bill to amend the Anti-Dumping Act of 1921.

H.R. 6490: A bill to repeal the excise tax on communications.

House Concurrent Resolution 166: A House concurrent resolution to revise and simplify the Internal Revenue Code of 1954.

H.R. 6635: A bill to amend sections 162 and 274 of the Internal Revenue Code of 1954 relating to deductibility of certain business, entertainment, and so forth, expenses.

H.R. 6911: A bill to prohibit the use of the term "mahogany" in interstate commerce in connection with woods which are not in fact mahogany.

H.R. 6926: A bill to increase the amount of outside earnings permitted without deductions from social security benefits.

H.R. 8204: A bill to amend the Federal Employees Compensation Act to remove certain inequities in rates of pay.

H.R. 8535: A bill to provide for the right of persons to be represented by attorneys in matters before Federal agencies.

H.R. 9077: A bill to amend tariff schedules on aluminum products, TV picture tubes and for other purposes.

More than 500 residents of my congressional district visited in my Washington office during 1963. In almost every instance my staff arranged for visits to the White House, provided gallery passes for both the House and Senate for visitors, and arranged for tours of the Federal Bureau of Investigation, the Bureau of Engraving, and other places of historical interest in the Nation's Capital.

Early this year, as in the past, we conducted a public opinion poll throughout the district. This was done by selecting families at random and mailing a questionnaire to get the grassroots sentiments of my constituents on the major legislative issues. Nearly 20,000 people in the 10th district participated in this poll, the results of which were published in the last issue of my newsletter.

Our congressional district is the largest in Illinois and one of the largest in the Nation with nearly 600,000 population. It is understandable, therefore, that the workload in an office such as mine is perhaps heavier than most of those where Representatives' districts average about 420,000 constituents.

In addition, my new committee assignment, which resulted in my being appointed to fill the one minority vacancy on the House Ways and Means Committee, was far more consuming in time and effort than I had experienced previously. This was primarily because our committee wrote the tax bill and revised 34 of the 37 recommendations for structural